



BOARD OF EQUALIZATION

PROPERTY TAX COMMITTEE MEETING MINUTESHONORABLE KATHLEEN CONNELL, COMMITTEE CHAIR
450 N STREET, SACRAMENTO

MAY 3, 2000, 1:30 P.M.

ACTION ITEMS & STATUS REPORT ITEMS**Agenda Item: Guidelines for the Assessment of Taxable Government-Owned Properties****Issue/Topic:**

1. Should the proposed Guidelines for the Assessment of Taxable Government-Owned Properties advise that the value limitation prescribed by article XIII, section 11 (Phillips Factor value), is applicable to properties acquired after March 1, 1975?
2. Should the Guidelines advise that for properties acquired after March 1, 1975, base year values are determined in the same manner as for privately owned, locally assessed real property?
3. Should the Guidelines advise that taxable government-owned properties are subject to supplemental assessments?

Committee Discussion:

Staff addressed their intent to incorporate the Board's direction on these issues into guidelines that will be brought to the Board on the Administrative Consent Agenda on June 15, 2000. Staff intends to distribute the guidelines in the form of a Letter To Assessors.

Staff spoke in support of their recommendations being consistent the results of the Task Force that studied the effects of Proposition 13, the addition of Revenue and Taxation Code section 52, and the California Supreme Court decision in City and County of San Francisco v. County of San Mateo.

A representative from the Los Angeles County Assessor's office spoke in support of the guidelines advising that the base year value for taxable government-owned property acquired after March 1, 1975 is established at the lower of (1) current market value as of the date of acquisition, or (2) the 1967 assessed value times the appropriate Phillips Factor as of the date of acquisition.

Representatives from the Amador County Counsel's office spoke in support of staff's position that the base year value is the market value as of the date of the change in ownership and that these properties are subject to supplemental assessments in the year of transfer. Counsel representatives spoke in support of not applying the restricted section 11 value to those properties acquired after March 1, 1975.

Committee Action/Recommendation/Direction:

The Committee voted that the Guidelines advise that:

1. The value limitation prescribed by article XIII, section 11 (Phillips Factor value) is applicable to taxable government-owned properties acquired after March 1, 1975.
2. The base year value for taxable government-owned property acquired after March 1, 1975 is the lower of current market value as of the date of acquisition or the 1967 assessed value times the appropriate Phillips Factor as of the date of acquisition.
3. Taxable Government-owned properties are subject to supplemental assessment.

Approved: /s/ Kathleen Connell
Kathleen Connell Committee Chair

/s/ James E. Speed
James E. Speed, Executive Director

BOARD APPROVED

At the May 4, 2000* Board Meeting

/s/ Judy Newton
Judy Newton, Chief
Board Proceedings Division

*with action #3 to say "properties are not subject to supplemental assessment."